

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

ORIGINAL DATE 2/13/07

SPONSOR Moore LAST UPDATED _____ HB 1070

SHORT TITLE UNION COUNTY EMERGENCY WINTER STORM REPAIRS SB _____

ANALYST Propst

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
\$1,000.0		Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)

SUMMARY

Synopsis of Bill

House Bill 1070 appropriates \$1,000.0 from the General Fund for expenditure by Union County in FY07 and 08 to pay for winter storm repairs, including emergency snow removal and costs of repairing roads. HB 1070 declares an emergency.

FISCAL IMPLICATIONS

The appropriation of \$1,000.0 contained in this bill is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of FY08 shall revert to the General Fund.

SIGNIFICANT ISSUES

DFA reports that Union County recently received over three feet of snow and has since been attempting to recover from that snowfall. This extreme amount of snow resulted in six foot snow drifts, and county crews having to continuously open the roads. Union County maintains twelve hundred twenty eight miles of county dirt roads. As the snow melts, the roads become extremely muddy, causing ruts averaging twelve inches, resulting in damaged roadways.

Union County has a solid budget, with reserve for planned projects. Their road crew consists of ten full time employees. Since the end of December, these employees have been working overtime trying to maintain roads. In addition, the county was forced to hire private contractors to assist with opening roads. The county fuel bill doubled, equipment repairs increased, and the overtime budget was overspent by 350%. These additional costs have caused the county to dip into their General Fund and Road Reserve in order to pay for emergency snow removal.

The effect of this snowfall has resulted in the county continuously having to open roadways. In addition, road ruts have also depleted the road surface. Union County will have to redo twelve hundred miles of damaged roadways.

RELATIONSHIP

Relates to HB 1071.

TECHNICAL ISSUES

HB 1070 does not specify the amount or percentage of the appropriation to be used in FY07 or FY08. However, the appropriation would be reimbursed as costs occur.

OTHER SUBSTANTIVE ISSUES

Union County has applied for emergency funding with the Office of Emergency Management and with FEMA. The Office of Emergency Management caps emergency loans at \$750.0. The funding process is somewhat lengthy, and to date, no funding has been provided to Union County. However, because the county will have to redo their roadways, emergency funding will not be sufficient.

WEP/nt